HOUSE No. 532

By Mr. Jones of North Reading, petition of Bradley H. Jones, Jr. and others relative to the definition of "regular compensation", in the public employee retirement law. Public Service.

The Commonwealth of Massachusetts

PETITION OF:

Bradley H. Jones, Jr.

Mary S. Rogeness
George N. Peterson, Jr.

John A. Lepper
Viriato Manuel deMacedo
Elizabeth A. Poirier
Donald F. Humason, Jr.

Susan W. Pope
Susan Williams Gifford
Robert S. Hargraves
Daniel K. Webster
Shirley Gomes
Michael J. Coppola
Richard J. Ross

In the Year Two Thousand and Five.

AN ACT CHANGING THE DEFINITION OF REGULAR COMPENSATION.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- 1 Section 1 of said chapter 32, as so appearing in the 2002 Offi-
- 2 cial Edition, is hereby amended by inserting at the end of the first
- 3 paragraph of the definition of "Regular compensation" the
- 4 following paragraph:—
- 5 "Regular compensation," during any period subsequent to
- 6 June 30, 2005, shall mean the salary or wages, including differen-
- 7 tial payments for shifts, training, education, certification, and
- 8 longevity, lawfully determined for the individual service of the
- 9 employee by the employing authority. Such amounts shall not
- 10 include, without limitation, bonus, overtime, evaluated mainte-
- 11 nance, cash or non-cash allowances for specified purposes, such
- 12 as housing, transportation, travel, and clothing, whether or not
- 13 receipt of such an allowance requires evidence of expenditure for
- 14 such purpose, premiums paid by any governmental unit for the
- 15 purchase of an individual or group annuity contract as authorized

by section 18A of chapter 15 or section 37B of chapter 71, severance pay for any and all unused sick leave, early retirement incen-18 tives, or any other payments made as a result of giving notice of 19 retirement. "Regular compensation" shall include any part of such 20 salary or wages derived from federal grants except as provided in clause (xi) of paragraph (a) of subdivision (2) of section 3; provided, that salary or wages payable in the form of cost of living bonuses and cost of living pay adjustments shall be included in regular compensation. In the case of a teacher employed in a public day school who is a member of the teachers' retirement system, salary payable under the terms of an annual contract for additional services in such a school and also compensation for 27 services rendered by said teacher in connection with a school 29 lunch program or for services in connection with a program of instruction of physical education and athletic contests as autho-31 rized by section 47 of chapter 71 shall be regarded as regular compensation rather than as bonus or overtime and shall be included in the salary on which deductions are to be paid to the annuity savings fund of the teachers' retirement system. In the case of police officers, firefighters and employees of a municipal depart-36 ment who are employed as fire alarm signal operators or signal maintenance repairmen, money paid for holidays shall be regarded as regular compensation rather than as overtime and shall be included in the salary on which deductions are to be paid to the 40 annuity savings fund. Regular compensation shall also mean salary or wages received by any member having made the election 42 provided for in section 90G½ or section 90G¾ and serving after 43 age 70 pursuant to sections 90F, 90G or 90H.